

CALIFORNIA HIGH-SPEED RAIL AUTHORITY
MEETING MINUTES
APRIL 2, 2008
SACRAMENTO, CALIFORNIA

The meeting of the California High-Speed Rail Authority was called to order on April 2, 2008 at 10:25am at 1415 L Street, Board Room in Sacramento, CA.

Members Present: Quentin Kopp, Chairman
 Fran Florez
 Rod Diridon, Sr.
 Kirk Lindsey
 TJ Stapleton
 Curt Pringle

Members Absent: David Crane
 Lynn Schenk
 Thomas Umberg

Opening Comments

Vice Chair Florez welcomed Board Members to today's meeting.

Approval of Meeting Minutes for the following Authority Meetings:

Chairman Kopp presented the minutes from the February 6th meeting for approval. Member Diridon moved to approve, Member Lindsey seconded

Authority Members' Meetings for Compensation

Vice Chair Florez presented the list of meetings for compensation for approval. Member Stapleton moved to approve the list of meetings for compensation seconded by Member Diridon, which carried 5-0.

Member Reports

Member Diridon reported activity on the national level regarding the development of the matching source of funds with a tax credit or tax assistance which was being guided by American Public Transportation Association (APTA) High Speed Inter-City Rail Committee. Member Diridon reported the issue had been added to APTA's master plan for legislation and a lobbyist with APTA has been assigned to the HSRA. Member Diridon also reported language would be added to a matching Senate Bill that would create Tax Credit Bonds in the amount of \$60 billion for both high speed and inter-city rail construction and operation.

Chairman Kopp reported meetings with Los Angeles County Supervisors Knabe and Antonovich. Chairman Kopp stated both were strong supporters of the project.

Chairman Kopp reported the Los Angeles Chamber of Commerce Transportation Committee recommended support of AB 3034 and the Bond measure which will be transmitted to the Executive Committee, after which will adopt an official position. Chairman Kopp reported meetings with the Long Beach Chamber of Commerce, San Gabriel Chamber of Commerce and San Fernando Chamber of Commerce are being arranged through the offices of Supervisor Antonovich.

Chairman Kopp reported attending a meeting initiated by Former Massachusetts Governor Michael Dukakis to express directly to Governor Arnold Schwarzenegger his support for the HSR project.

Executive Director's Report

Executive Director Morshed reported at the last Board meeting Ken Gosting asked two questions that Chairman Kopp directed Executive Director Morshed to address. The first addressed the proper descriptions of agenda items distributed to the public. Executive Director Morshed stated this issue was referred to HSRA Counsel whose review indicated the agenda items and descriptions comply with regulations. The second question addressed whether or not a letter from Grasslands Water District had been made available to the Board. Executive Director Morshed reported the letter has been provided to the Board, along with all other correspondence and that it was also available on the website.

Executive Director Morshed reported a finance letter had been submitted to the Department of Finance for the next fiscal year. This letter requested \$17.25M from the PTA to be used for engineering and environmental activities for the months of July-November, and a subsequent appropriation of \$34M in November depending on the passage of the Bond.

Executive Director Morshed reported a hearing before the Assembly Transportation Committee had been set for April 14, 2008 regarding the passage of Bill AB 3034.

Executive Director Morshed reported attending the International High Speed Rail Conference in Amsterdam in March at his own expense. Executive Director Morshed stated Europe is very interested in the California High Speed train.

Executive Director Morshed reported the RFEI conference held in March was well attended and showed there is a great deal of private interest in the high speed train project.

Executive Director Morshed reported the Japanese Delegation completed their review of work in February.

Executive Director Morshed reported Draft EIR has been completed and submitted to the Federal Railroad Administration (FRA) for approval which should be in June.

Executive Director Morshed presented a rough cut of the newest video on the California High Speed Rail project. Executive Director Morshed stated the new video is geared to a younger audience and is more visual and fast paced. Executive Director Morshed asked for the Board's review and comment.

Chairman Kopp stated he felt the distance from Anaheim to Los Angeles read too quickly. Chairman Kopp also commented there should be people inside the trains.

Bob Allen

Mr. Allen stated until a Bond passed in 1962, there were only two buildings in San Francisco that were over ten stories tall. Mr. Allen stated transportation makes a big difference in the city landscape.

Legislation Report

Executive Director Morshed reported AB 3034 was introduced by Assembly members Galgiani and Ma. Executive Director Morshed stated the concept of AB 3034 was worked out with the Governor's office to accommodate the Governor's request that the Bond cover the entire network and that it be more receptive to Public Private Partnership (P3) through a mechanism for competition.

Executive Director Morshed asked the Board to formally adopt the motion to support AB 3034 so that a letter of support can be sent out. In addition, Executive Director Morshed reported the Bill is still being edited and currently does not provide Bond money towards the Altamont Corridor. Executive Director Morshed suggested to the Board to request a change to the Legislative language so that the Altamont Corridor is recognized as an eligible corridor along with the other corridors listed. Executive Director Morshed noted the Authority staff have been working cooperatively with a number of Bay Area and Central Valley agencies and have agreed upon language that would recognize the Altamont Corridor as an eligible corridor. Member Diridon moved to support the Bill, Member Diridon seconded, which carried 6-0.

Bob Allen

Mr. Allen stated he hoped the Board would not exclude the possibility of BART over the Altamont Pass. Mr. Allen stated he believes that would be a better draw for votes from the San Joaquin Valley if a BART commute were provided to the Bay Area including San Jose.

Eugene Skoropowski, Capitol Corridor JPA (CCJPA)

Mr. Skoropowski stated he had a letter of support for AB 3034 from Capitol Corridor. Mr. Skoropowski stated Capitol Corridor is pleased to have participated in working sessions with the Authority regarding the inclusion of the Altamont Pass as an eligible corridor. Mr. Skoropowski stated CCJPA believed the Altamont Pass would provide faster service from Sacramento to the Bay Area and would benefit the surrounding communities and economies. Mr. Skoropowski stated the CCJPA supports the inclusion of the Altamont Pass into the HSR Bond authorization.

Member Diridon complimented Mr. Skoropowski on his leadership at the national level in bringing the factions within the American Public Transportation Association (APTA) together and for being an advocate for HSR. Member Diridon stated without Mr. Skoropowski's assistance, the HSRA would not have APTA to provide advocacy of the HSR project.

Mr. Skoropowski stated the American Association of Highway and Transportation Officials (AASHTO) supports the HSR project as well.

Andrew Chesley, San Joaquin Council of Governments (SJCOG)

Mr. Chesley stated SJCOG fully supports the inclusion of the Altamont Pass into AB 3034. Mr. Chesley thanked the Authority staff for suggesting that the language be added and stated he looked forward to working with staff in the future.

Chairman Kopp asked Mr. Chesley if an opportunity to send a formal letter of support to the Assembly Committee on Transportation was possible.

Mr. Chesley volunteered to speak with SJCOG staff on the issue and stated SJCOG would be testifying at the hearing on April 14, 2008 as well.

Ken Ross, Tri- Valley Regional Rail Policy Group

Mr. Ross stated Tri-Valley Regional Policy Group supported AB 3034 and thanked the HSRA for the inclusion of the Altamont Pass. Mr. Ross stated the Tri-Valley Regional Rail Policy Group looked forward to working the HSRA in the future.

Tim Frank, Sierra Club

Mr. Frank stated he believed AB 3034 could be used as a vehicle for the Board to assure the public that money will be available for station area planning in the Central Valley and for station area upgrades which would be positive in the form of a commitment. Mr. Frank stated if amendments were made to the Bill in the form of commitments it would be welcome in the Valley jurisdictions and would be very helpful.

Hannah Gladstone, Environment California

Ms. Gladstone stated she is employed with Environment California who is currently working with CALPIRG to support the HSR project.

Chairman Kopp reported the week prior to the Board meeting, March 24-28, 50 students from the University of California campuses participated in tracing the high speed rail route with motor vehicles and bicycles from Sacramento to San Diego. Chairman Kopp thanked Ms. Gladstone for her participation and support.

Executive Director Morshed reported Member Schenk participated in a CALPIRG rally and was impressed with the students' initiative for the project.

Program Manager's Report

Mr. Daniels' reported the Bay Area – Central Valley document has been completed and sent to the FRA.

Mr. Daniels' reported the RFEI meeting held March 27, 2008 was well attended with over 70 people in attendance and 40 financial firms, train builders, constructions companies, operators and Japanese and French consular officials. Mr. Daniels' stated it was a very successful meeting.

Mr. Daniels' reported the Initial Phase ridership and revenue forecast has been completed.

Mr. Daniels' reported capital costs have been completed and updated for the Initial Phase as well to reflect ridership and operations changes.

Mr. Daniels' reported working with regional consultants in updating schedules for the Record of Decision (ROD) which he believed to be the best schedule to date.

Mr. Daniels' reported three inter-agency meetings were held in Los Angeles to review the LOSSAN corridor alternatives. Mr. Daniels' also reported there would be a review of the LOSSAN alternatives with the FRA on April 7, 2008.

Mr. Daniels' report is available upon request.

Financing Plan Briefing

Barbara Lloyd provided an update on the Request for Expressions of Interest work as well as an overview on the scope of work for an Economic Impact study.

Ms. Lloyd's presentation to the Board is available upon request.

HST Station Development Policies

Deputy Director Dan Leavitt presented a briefing on the policies to be included in the "Station Area Development" chapter for the Bay Area to Central Valley Program EIR/EIS.

Mr. Leavitt's presentation is available upon request.

Member Pringle stated he felt "one size doesn't fit all" with station area development. Member Pringle stated what works for one station area development might not work for another.

Chairman Kopp asked when a motion for the adoption of the "Station Area Development" chapter of the Bay Area to Central Valley Program EIR/EIS would be presented. Mr. Leavitt stated the motion would be presented at the next Board meeting.

Member Lindsey recommended the HSRA provide guidelines but not mandatory requirements to local communities regarding development.

Member Diridon stated he believed some sort of stimulus should be added to the "Station Area Development" chapter to help encourage local communities with the growth around stations in city centers and preservation around stations near farmlands.

Member Stapleton asked if the Board had the power to enforce the policies of Station Area Development.

Mr. Leavitt stated the Board could ask that the policies be enacted in order for the city to have a station in their area. Mr. Leavitt stated the power of the Board comes from the final station selection.

Member Stapleton stated the HSRA should not dictate to cities whether or not parking should be free. Member Stapleton stated local communities should decide what to charge for parking for train riders and for locals.

Member Lindsey stated he did not believe rural communities will desire growth around the train station like more urban communities will. Member Lindsey stated local residents do not want officials dictating what they should do with their farmland.

Mr. Leavitt stated the HSRA has received a strong preference from Central Valley cities over the years for downtown station locations. The Authority's preferred station locations are downtown Bakersfield, Fresno, Merced, Modesto, Stockton and Sacramento, where densification is desired.

Member Pringle stated he would like to see more of an incentive approach to Station Area Development. Member Pringle stated he believed more communities would respond to this approach. Member Pringle asked that this issue be considered at the next Board meeting.

Jesus Gamboa, Mayor, City of Visalia

Mr. Gamboa stated the City of Visalia continues to support the HST project and he appreciated hearing Visalia in any discussion regarding the HST project. Mr. Gamboa stated officials have been to Washington D.C. in support of future funding for HSR. Mr. Gamboa encouraged the Board to not forget the Central Valley area, more specifically Kings and Tulare Counties and stated the City of Visalia continues its support for HSR.

Olin Woods, Sacramento Council of Governments (SACOG)

Mr. Woods stated SACOG believed smart growth was a positive thing in larger areas and larger communities. Mr. Woods stated SACOG worked with the HSRA on the draft document for the Station Area Development Policy and is appreciative the issue is being taken seriously. Mr. Woods suggested the HSRA include in the policy a third party review. Mr. Woods stated SACOG continues to support the HSR project.

Jim Bigelow, Redwood City-San Mateo County Chamber of Commerce

Mr. Bigelow stated he believed the communities of prospective stops should decide what station is appropriate for that particular area. Mr. Bigelow stated San Mateo County has an incentive program for transit-oriented development and also stated the Metropolitan Transportation Commission (MTC) has an incentive program throughout the Bay Area for transit-oriented development for housing. Mr. Bigelow stated he using local incentives would be beneficial and encouraged it to be adopted. Mr. Bigelow suggested a Central Valley city station such as Modesto or Visalia be included in the promotional video shown earlier.

Tom Enslow, Adams Broadwell Joseph & Cardozo

Mr. Enslow stated he was present representing Grasslands Water District. Mr. Enslow stated Grasslands Water District strongly opposed the Pacheco Pass alignment and stated the Draft Bay Area to Central Valley EIR/EIS failed to analyze the negative impacts it would have on the surrounding wetlands. Mr. Enslow stated Grasslands Water District believes in the broader concept of HSR but opposed the Pacheco Pass due to the devastating affects it would have on the environment around it.

Chairman Kopp informed Mr. Enslow that a proposed amendment for AB 3034 would prohibit a station between Merced and Gilroy.

Tim Frank, Sierra Club

Mr. Frank stated there is a link between land use and transportation and he believed the Board has a responsibility to address that link. Mr. Frank stated he believed an incentive program would be positive in station area development.

Chairman Kopp asked that Mr. Frank submit his suggestions in written form to the HSRA.

Chairman Kopp stated the issue of Station Area Development would be revisited with the staff's modifications at the next Board meeting.

Public Comment

An opportunity for public comment was provided during each public agenda item.

An opportunity for public comment was provided after all agenda items were heard.

Meeting adjourned at 1:25pm